

BRENTWOOD



2013/14 PROPERTY TAX SUMMARY

The City of Brentwood experienced a net taxable value increase of 8.5% for the 2013/14 tax roll, which was somewhat more than the increase experienced countywide at 3.7%. The assessed value increase between 2012/13 and 2013/14 was \$464 million. The change attributed to the 2% Proposition 13 inflation adjustment was \$15.4 million, which accounted for 3.3% of all growth experienced in the city.

The largest assessed value increase was reported on a residential parcel owned by Brentwood Towncentre Apartment (1275 Central Blvd.) was recently purchased adding \$9.9 million in assessed value to the roll. Newly constructed improvements on a parcel owned by Church of LDS (1875 Highland Way) added \$3.4 million. A tax bill has been issued to the owner but may be cancelled based on a religious exemption. A parcel owned by Sand Creek Crossing LLC had \$1.9 million of the value previously reduced under Proposition 8 reinstated.

The largest value decline was on a parcel owned by Cornerstone Fellowship. The parcel has become fully exempt in the current year removing \$2.7 million. BB Brentwood LP (6600 Lone Tree Way) was granted an appeal that reduced the value of the parcel by \$1.7 million. A successful appeal filed on a commercial parcel owned by Kai Hospitality LP removed \$880,000 in value from the parcel.

Parcel subdivision and new construction activity contributed to growth in assessed values this year. 16 parcels were dropped from the roll and 97 were added, resulting in a net assessed value gain of over \$3 million.

The housing market has continued to improve in 2013 as home buying increased due to continued low interest rates and affordable prices. Foreclosure levels are back to historical norms. Median prices and numbers of sale transactions are up statewide. The median sale price of a single family home in Brentwood from January through September 2013 was \$380,000. This represents a \$70,000 (22.6%) increase in median sale price from 2012.

Year	SFR Sales	Median Price	% Change
2007	849	\$580,000	
2008	1,186	\$369,000	-36.38%
2009	1,260	\$293,500	-20.46%
2010	1,076	\$297,000	1.19%
2011	1,150	\$290,000	-2.36%
2012	1,052	\$310,000	6.90%
2013	734	\$380,000	22.58%

2013/14 Tax Shift Su	mmary
ERAF I & II	\$-2,716,927
VLFAA (est.)	\$2,732,613
Triple Flip	\$1,569,057
Triple Flip True up	\$64,038

Top 10 Property Owners			
Owner	Net Taxable Value	% of Total	Use Type
G AND I VII BRENTWOOD LP	\$75,878,859	1.27%	
2. SAND CREEK CROSSING LLC	\$44,397,200	0.75%	Commercial
3. JOHN MUIR MT DIABLO HEALTH	\$38,025,501	0.64%	Commercial
4. DS LONE TREE PLAZA LLC	\$34,953,986	0.59%	Commercial
5. TRILOGY VINEYARDS LLC	\$29,209,009	0.49%	Vacant
6. BRENTWOOD ARBOR RIDGE LP	\$21,985,295	0.37%	Residential
7. NEW URBAN COMM SCIORTINO LLC	\$19,805,100	0.33%	Vacant
8. BRENTWOOD TOWNCENTRE APARTMENT	\$19,625,000	0.33%	Residential
9. AFE BRENTWOOD PARK LLC	\$19,005,669	0.32%	Commercial
0. BRENTWOOD ASSISTED LIVING LLC	\$16,907,000	0.28%	Commercial
Top Ten Total	\$319,792,619	5.37%	

Real Estate Trends

Home Sales

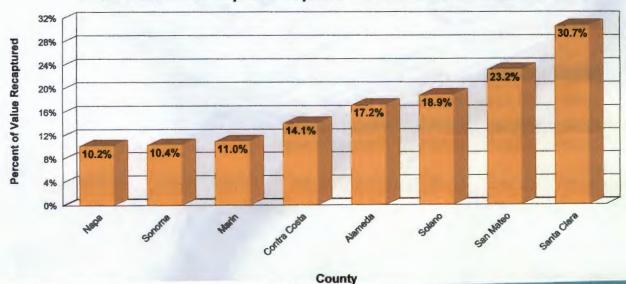
Home sales began to rebound in many parts of the State as continued low interest rates are spurring on the market. Mid and high end sales are up and prices are rebounding quickly due to low inventories. The reported median price of an existing, single family detached home in California during July 2013 was \$363,000. This was a 29.2 percent increase from \$281,000 in July 2012.

All Homes	Units Sold July-2012	Units Sold July-2013	% Change	Median Price July-2012	Median Price July-2013	% Change
Alameda County	1,717	1,872	9.03%	\$385,000	\$520,000	35.06%
Contra Costa County	1,718	1,799	4.71%	\$308,000	\$440,000	42.86%
Marin County	338	420	24.26%	\$660,000	\$818,000	23.94%
Napa County	135	166	22.96%	\$372,500	\$425,000	14.09%
San Francisco County	547	718	31.26%	\$714,000	\$840,000	17.65%
San Mateo County	732	812	10.93%	\$618,000	\$745,000	20.55%
Santa Clara County	1,779	2,244	26.14%	\$565,000	\$650,000	15.04%
Solano County	610	605	-0.82%	\$188,000	\$255,750	36.04%
Sonoma County	665	703	5.71%	\$320,000	\$422,500	32.03%

Recapturing SFR Proposition 8 Reductions

In 1978 California voters approved Proposition 8 that (among other things) allows county assessors to reduce the value of properties below their Proposition 13 taxable values when the real estate market declines. Such reductions are to be recaptured as the real estate market improves. Now, after five years of declining real estate values, county assessors are beginning to restore values. The graft below reflects the percentage of assessed value restored in 2013-14 for residential properties that have not changed ownership. Assessors will not restore values to their trended Proposition 13 values until the strength of the market recovery is proven. We are anticipating continued recovery of Proposition 8 reductions for 2014-15.

Estimated SFR Prop 8 Recaptures between 2012-13 and 2013-14



www.hdlcompanies.com